

NEWS RELEASE



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THREE PLEAD GUILTY TO FEMA FRAUD IN UNRELATED CASES

**Federal government committed to prosecuting those who attempt
to fraudulently obtain FEMA benefits**

LAFAYETTE, LOUISIANA . . . United States Attorney Donald W. Washington announced today that three defendants pled guilty today before United States District Judge Tucker Melançon to theft of public money, property, or records.

RICHARD HUFNAGEL, age 40, from New Iberia, Louisiana admitted to applying for emergency benefits following Hurricane Katrina, claiming that he lived in a warehouse in New Orleans, Louisiana prior to Hurricane Katrina in 2005. HUFNAGEL claimed he had flood damage and received \$5,069 from the Federal Emergency Management Agency (FEMA) in November 2005 for the flood damage HUFNAGEL claimed to have suffered and for rental assistance. However, investigations revealed that HUFNAGEL had not been living in the warehouse in New Orleans. He was living in a hotel prior to the storm in Gretna, Louisiana. HUFNAGEL admitted that he knew he was not entitled to the benefits he received from FEMA.

In an unrelated matter, **SHANNON SYLVESTER**, age 19, from Morgan City, Louisiana, applied for and received \$2,000 in disaster relief funds in September 2005, claiming she had to evacuate as a result of Hurricane Katrina. SYLVESTER never lived at the address she claimed was her primary address in Morgan City and never evacuated from Morgan City. Instead, SYLVESTER was living in a HUD housing project. In pleading guilty today, SYLVESTER admits that she did not evacuate from Morgan City and was never entitled to the FEMA relief funds.

In a third unrelated case, **ASHLEY CLARK**, age 22, from Morgan City, Louisiana, applied for FEMA assistance in October 2005, claiming that her residence in Morgan City sustained damage as a result of Hurricane Rita. CLARK received \$4,665.33 based on the information she provided while filing a claim for damages. During the plea hearing today, CLARK admitted that her residence did not sustain any damage as a result of Hurricane Rita and she obtained the FEMA funds fraudulently.

Sentencing will be scheduled for a later date to be determined by the court.

When sentenced, each defendant faces a maximum of ten years federal imprisonment, a fine of not more than \$250,000, and a term of supervised release of up to three years following confinement.

The cases were investigated by the Federal Bureau of Investigation. The cases are being prosecuted by Assistant United States Attorney John Luke Walker.

To date, the United States Attorney's Office for the Western District of Louisiana has charged 59 defendants with violations related to FEMA relief funds, and approximately 60 FEMA fraud investigations are currently on-going in the Western District of Louisiana.

In September 2005, Attorney General Alberto R. Gonzales created the Hurricane Katrina Fraud Task Force, designed to deter, investigate and prosecute disaster-related federal crimes such as charity fraud, identity theft, procurement fraud and insurance fraud. The Hurricane Katrina Fraud Task Force - chaired by Assistant Attorney General Alice S. Fisher of the Criminal Division - includes members from the FBI,

the Federal Trade Commission, the postal Inspector's Office, and the Executive Office for United States Attorneys, among others.

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